

**AL-KHALIJ HOLDING COMPANY (Q.S.C)  
DOHA – QATAR**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
FOR THE NINE MONTHS PERIOD ENDED  
SEPTEMBER 30, 2011**

**AL-KHALIJ HOLDING COMPANY (Q.S.C)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2011

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**AL-KHALIJ HOLDING COMPANY (Q.S.C)****INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at September 30, 2011

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	<b>September 30, 2011</b>	December 31,
	<u>QR.</u>	<u>2010</u>
		QR.
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and bank balances	<b>134,457,118</b>	708,627,548
Accounts receivable	<b>56,327,640</b>	43,309,937
Due from related parties	<b>1,219,637</b>	434,733
Advances to suppliers	<b>63,412,357</b>	43,589,852
Gross amount due from customers for contract works	<b>819,959</b>	501,916
Inventories	<b>65,593,900</b>	30,464,327
Prepayments and other debit balances	<b>19,642,936</b>	23,278,280
<b>Total current assets</b>	<b><u>341,473,547</u></b>	<u>850,206,593</u>
<b>Non-current assets</b>		
Property, plant and equipment	<b>1,780,415,846</b>	1,760,676,397
Investment properties	<b>469,197,993</b>	470,864,476
Investment in associates	<b>49,192,319</b>	34,014,290
Available-for-sale investments	<b>58,158,368</b>	59,042,235
Goodwill	<b>314,457,585</b>	314,457,585
<b>Total non-current assets</b>	<b><u>2,671,422,111</u></b>	<u>2,639,054,983</u>
<b>Total assets</b>	<b><u><u>3,012,895,658</u></u></b>	<u><u>3,489,261,576</u></u>

**AL-KHALIJ HOLDING COMPANY (Q.S.C)****INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at September 30, 2011

	<b>September 30, 2011</b>	<b>December 31, 2010</b>
	<b>QR.</b>	<b>QR.</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	<b>32,729,596</b>	45,900,075
Retention payable	<b>31,533,482</b>	31,130,604
Borrowings	<b>30,228,262</b>	497,080,320
Due to related parties	<b>561,971</b>	322,107
Notes payable	<b>17,068,612</b>	20,139,581
Gross amount due to customers for contract works	<b>3,884,008</b>	1,587,426
Accruals and other liabilities	<b>17,406,851</b>	17,778,625
<b>Total current liabilities</b>	<b>133,412,782</b>	613,938,738
<b>Non-current liabilities</b>		
Borrowings	<b>919,942,349</b>	885,443,081
Notes payable	<b>19,401,183</b>	28,300,066
Employees end of service benefits	<b>2,477,559</b>	31,130,605
Retention payable	<b>31,533,482</b>	2,057,203
<b>Total non-current liabilities</b>	<b>973,354,573</b>	946,930,955
<b>Total liabilities</b>	<b>1,106,767,355</b>	1,560,869,693
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	<b>1,243,267,780</b>	1,243,267,780
Legal reserve	<b>475,526,316</b>	475,526,316
Fair value reserve	<b>5,751,037</b>	7,443,737
Retained earnings	<b>181,583,170</b>	139,990,661
Proposed dividends	<b>0</b>	62,163,389
<b>Total shareholders' equity</b>	<b>1,906,128,303</b>	1,928,391,883
<b>Total shareholders' equity and liabilities</b>	<b>3,012,895,658</b>	3,489,261,576

These interim condensed consolidated financial statements were approved by the Board of Directors on October 20, 2011 and signed on its behalf by:

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Mr. Abdullah bin Nasser Al-Misnad  
Chairman and Managing Director

**AL-KHALIJ HOLDING COMPANY (Q.S.C)****INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME**

For the nine months period ended September 30, 2011

	<b>For the nine month period ended September 30,</b>	
	<b>2011</b>	<b>2010</b>
	<b>QR.</b>	<b>QR.</b>
<b>Operating income</b>		
Sale of cement	<b>137,382,610</b>	105,610,347
Contract and service income	<b>35,715,015</b>	37,436,074
	<b>173,097,625</b>	143,046,421
<b>Operating cost</b>		
Cost of cements sales	<b>109,247,800</b>	82,462,644
Contract and service cost	<b>17,981,618</b>	10,115,312
	<b>127,229,418</b>	92,577,956
<b>Operating profit</b>	<b>45,868,207</b>	50,468,465
Income from short-term deposits and savings	<b>300,359</b>	1,543,794
Income from investment in associates	<b>25,208,407</b>	17,922,107
Net investment income	<b>4,529,707</b>	1,143,939
Rental income	<b>2,275,338</b>	2,464,575
Other income	<b>1,197,393</b>	2,342,333
Net finance cost	<b>(3,889,329)</b>	(4,974,566)
General and administrative expenses	<b>(26,723,510)</b>	(29,107,797)
Decrease in fair value of investment properties	<b>(1,896,802)</b>	(1,443,951)
Depreciation of property, plant and equipment	<b>(5,277,261)</b>	(6,873,251)
<b>Net profit for the period</b>	<b>41,592,509</b>	33,485,648
<b>Basic earnings per share</b>	<b>0.33</b>	0.27

**AL-KHALIJ HOLDING COMPANY (Q.S.C)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the nine months period ended September 30, 2011

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	<b>For the nine month period ended September 30,</b>	
	<b>2011</b>	<b>2010</b>
	<b>QR.</b>	<b>QR.</b>
<b>Net profit for the period</b>	<b>41,592,509</b>	33,485,648
<b>Other comprehensive income</b>		
Change in fair value of available-for-sale investments	<b>(1,692,700)</b>	5,287,148
<b>Total comprehensive income for the period</b>	<b>39,899,809</b>	<b>38,772,796</b>

**AL-KHALIJ HOLDING COMPANY (Q.S.C)**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY**

For the nine months period ended September 30, 2011

	<u>Capital</u>	<u>Legal reserve</u>	<u>Fair value reserve</u>	<u>Retained earnings</u>	<u>Proposed dividends</u>	<u>Total</u>
	QR.	QR.	QR.	QR.		QR.
<b>Balance as at January 1, 2010</b>	<b>1,243,267,780</b>	<b>468,407,668</b>	<b>797,937</b>	<b>139,865,880</b>	--	<b>1,852,339,265</b>
Total comprehensive income for the period	--	--	5,287,148	33,485,648	--	38,772,796
<b>Balance as at September 30, 2010</b>	<b><u>1,243,267,780</u></b>	<b><u>468,407,668</u></b>	<b><u>6,085,085</u></b>	<b><u>173,351,528</u></b>	--	<b><u>1,891,112,061</u></b>
<b>Balance as at January 1, 2011</b>	<b>1,243,267,780</b>	<b>475,526,316</b>	<b>7,443,737</b>	<b>139,990,661</b>	<b>62,163,389</b>	<b>1,928,391,883</b>
Total comprehensive income for the period	--	--	(1,692,700)	41,592,509	--	39,899,809
Dividend paid	--	--	--	--	(62,163,389)	(62,163,389)
<b>Balance as at September 30, 2011</b>	<b><u>1,243,267,780</u></b>	<b><u>475,526,316</u></b>	<b><u>5,751,037</u></b>	<b><u>181,583,170</u></b>	--	<b><u>1,906,128,303</u></b>